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June 28, 2013

**VIA ELECTRONIC FILING**

Jocelyn Boyd, Esquire  
Chief Clerk and Administrator  
South Carolina Public Service Commission  
101 Executive Center Drive  
Columbia, SC 29210

RE: Application of United Utility Companies, Incorporated for adjustment of rates and charges and modifications of certain terms and conditions for the provision of water and sewer service  
Docket No. 2013-199-WS

Dear Ms. Boyd:

Enclosed please find for filing in reference to the above matter the following documents:

1. Application of United Utility Companies, Inc. with Exhibits A - E.; and,
2. Motion for Appointment of a Hearing Officer; and,
3. Certificate of Service to Office of Regulatory Staff.

If you have any questions, or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/mlw

Enclosures

cc: C. Dukes Scott, Esquire w/enc.  
Jeffrey M. Nelson, Esquire w/enc.  
Charles L. A. Terreni, Esquire

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**DOCKET NO. 2013-199-WS**

IN RE: Application of United Utility Companies, )	
Inc. for Adjustment of Rates and Charges )	
and Modifications to Certain Terms )	
and Conditions for the Provision of Water )	<b>APPLICATION</b>
and Sewer Service )	

United Utility Companies, Inc. (“Applicant” or “Company”) would respectfully show unto, and request of, the Commission as follows:

**BACKGROUND**

1. Applicant is a corporation organized and existing under the laws the State of South Carolina.
2. Applicant is a public utility, as defined by S.C. Code Ann. §58-5-10(4), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2009-479-WS, Order No. 2012-547, dated July 17, 2012.
3. All communications or inquiries regarding this Applicant should be directed as set forth below:

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## **REQUEST FOR RATE RELIEF AND APPROVAL OF RATE SCHEDULE MODIFICATIONS**

4. Pursuant to S.C. Code Ann. §58-5-240 and 26 S.C. Code Ann. Regulations. R. 103-712.4.A and R. 103-512.4.A, the Applicant requests that the Commission approve the monthly water and sewer service charges set forth in the eight (8) page rate schedule attached hereto and incorporated herein by this reference as Exhibit "A". Also, pursuant to 26 S.C. Code Ann. Regulations R. 103-703 and R. 103-503, the Applicant proposes to include in its tariff new charges to recover its costs of disconnecting its water and sewer customers from its facilities in certain circumstances, to recover its costs of repair of its water and sewer facilities which have been damaged by tampering, to recover its costs of pumping, repairing, and/or replacing its customer's interceptor tanks and for the installation of certain water meters. In addition, the Applicant proposes to increase its approved customer account charge to its new water and sewer customers and to increase its approved notification fee charged in connection with a notice required prior to disconnection of sewer services (as set forth in Exhibit "A").

## **SUPPORTING DOCUMENTATION**

5. Applicant proposes a test year of January 1, 2012 to December 31, 2012 and has prepared certain financial statements relating to that time period in support of the

Application, which statements are attached hereto and incorporated herein by this reference as Exhibit “B”, pages 1 through 12. These financial statements include the following:

- a. Balance sheet (Schedule A)
- b. Current and pro forma income and expense statements (Schedule B)
- c. Rate base and rate of return information (Schedule C).<sup>1</sup>

Applicant also submits, as Exhibit “B” pages 13 through 17, the following information in support of the Application:

- d. Water and sewer consumption analyses (Schedule D)
- e. Water and sewer proposed revenues (Schedule E)
- f. Schedule of current and projected customers (Schedule F)
- g. Effect of proposed rates (Schedule G)

6. Attached hereto and incorporated herein by this reference as Exhibit “C” is the most recent approval letter from the South Carolina Department of Health and Environmental Control (“DHEC”).

7. Attached hereto and incorporated herein by this reference as Exhibit “D” is the Company’s current customer bill form.

8. Attached hereto and incorporated herein by this reference as Exhibit “E” is evidence of the Company’s most recent Gross Receipts Tax filing.

9. The Company’s Annual Report for the last period is on file with this Commission.

10. The Company’s current rate schedule as approved by Order No. 2012-547 dated July 17, 2012, is on file with this Commission.

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<sup>1</sup> These calculations are for informational purposes only as Applicant will submit evidence with respect to proper returns on equity and rate base at hearing.

11. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720.

12. A map depicting Applicant's current service area is on file with the Commission.

13. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4 and R. 103-712.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.<sup>2</sup>

#### **NEED AND JUSTIFICATION FOR RATE RELIEF**

14. Applicant submits that the proposed rate increase is necessary in order that it may provide reasonable and adequate service to its customers, cover its expenses, be permitted an opportunity to earn a reasonable return on its investment, and attract capital for future improvements. Said rates proposed are also necessary in order that the Applicant may comply with the standards and regulations set by DHEC and other environmental regulatory authorities. Said rates will preserve the financial integrity of Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high quality water and sewer services.

#### **REQUEST FOR RATE BASE TREATMENT**

15. Applicant further submits that given its substantial plant investment, and specifically the rate base reflected on Schedule C of Exhibit "B", Applicant is entitled to

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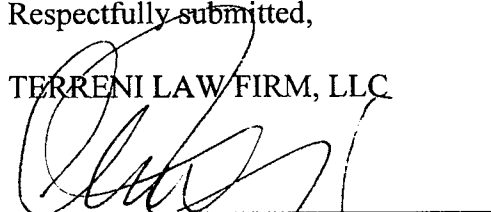
<sup>2</sup> Because Applicant utilizes a composite depreciation rate of 1 ½%, no depreciation schedule by categories of plant or average service lives exists. The Applicant will, of course, make available during the audit copies of the Company's depreciation work papers.

have the reasonableness of its proposed rates determined in accordance with the rate base methodology. Accordingly, Applicant requests rate base treatment in this proceeding.

**WHEREFORE**, having fully set forth its Application, United Utility Companies, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.

Respectfully submitted,

TERRENI LAW FIRM, LLC



Charles L.A. Terreni, Esquire

Terreni Law Firm, LLC

1508 Lady Street

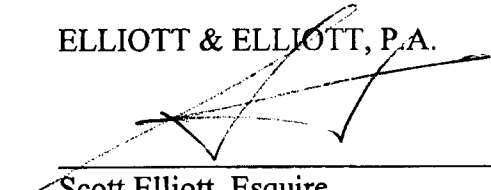
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Attorneys for Applicant United Utility  
Companies, Inc.

Columbia, South Carolina

June 28, 2013

# EXHIBIT

# A

UNITED UTILITY COMPANIES, INC.

SCHEDULE OF **PROPOSED** RATES AND CHARGES

WATER

1. Monthly Charges

Residential

Monthly charge per single-family house, condominium, mobile home or apartment unit:

Basic Facilities Charge	\$21.00 per unit
Commodity Charge	\$10.77 per 1,000 gallons or 134 cft.

Commercial

Base Facilities Charge	\$21.00 per SFE
Commodity Charge	\$10.77 per 1,000 gallons or 134 cft.

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

When it is impractical to meter each unit separately because of the method of water line installation utilized by the developer or owner, service will be provided through a single meter, and consumption of all units will be averaged; a bill will be calculated based on that average and the result multiplied by the number of units served by a single meter.

For the convenience of the owner, the Utility will bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master water meter or a single water connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored. Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.



## EXHIBIT "A"

### 2. Non-Recurring Charges

- |  |          |
|--|----------|
| A) Water service connection charge per single-family equivalent* | \$100.00 |
| B) Plant impact fee per single-family equivalent*                | \$400.00 |
| C) Water Meter - 5/8 inches x 3/4 meter                          | \$100.00 |

All 5/8 inch x 3/4 inch water meters shall meet the Utility's standards and shall be installed by the Utility. A one-time meter fee of \$100 shall be due upon installation for those locations where no 5/8 inch x 3/4 inch meter has been provided by a developer to the Utility.

For the installation of all other meters, the customer shall be billed for the Utility's actual cost of installation. All such meters shall meet the Utility's standards and be installed by the Utility unless the Utility directs otherwise.

The non-recurring charges listed above are minimum charges and apply even if the equivalency rating of the non-residential customer is less than one (1). If the equivalency rating of a non-residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the water system is requested.

### 3. Account Set-Up and Disconnection Charges

- a. Customer Account Charge - for new customers only \$30.00
- b. Disconnection Charges: In addition to any other charges that may be due, in those cases where a customer's service has been disconnected for any reason as set forth in Commission Rule R.103-732.5, and the customer has been found to have vacated his premises or the customer has shown his intent to vacate his premises and the imposition of a reconnection charge is not feasible, a disconnection fee shall be due in the amount of forty dollars (\$40.00) and shall be due prior to the Utility reconnecting service.
- c. Tampering Charge: In the event the Utility's equipment, water mains, water lines, meters, curb stops, service lines, valves or other facilities have been damaged or tampered with by a customer, the Utility may charge a \$250 tampering fee to the customer responsible for the damage to the Utility's equipment. The tampering fee shall be paid in full prior to the Utility re-establishing water service or continuing the provision of water service.

### 4. Billing Cycle

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

## EXHIBIT "A"

5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 ½%) for each month, or any part of a month, that said payment is late.

6. Cross-Connection Inspection

Any customer installing, permitting to be installed, or maintaining any cross connection between the Utility's water system and any other non-public water system, sewer or a line from any container of liquids or other substances, must install an approved back-flow prevention device in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F, as may be amended from time to time. Such a customer shall annually have such cross connection inspected by a licensed certified tester and provide to Utility a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F, as may be amended from time to time. Said report and results must be provided by the customer to the Utility within 30 days of inspection. If a customer fails to comply with the requirement to perform annual inspections, the Utility may disconnect water service after 30 days' written notice. The Utility shall provide affected customers with an advanced annual notification of such certification requirement.

7. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capabilities of the Utility, the Utility may provide an electronic bill to the customer on the Utility's website, in lieu of mailing a paper copy. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-732.2 as may be amended from time to time. Late payment charges will not be triggered until twenty-five (25) days after the Utility issues the electronic bill and it leaves the control of the Utility or its billing agent. The Utility must provide notice to the customer that the bill form is available for review within twenty-four hours of its issuance and the web address of its location.

8. Construction Standards

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed.

9. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its water system. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service unless water supply is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has for any reason restricted the Utility from adding additional customers to the serving water system. In no event will

## EXHIBIT "A"

the Utility be required to construct additional water supply capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding water supply capacity to the affected water system.

\*A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Health and Environmental Control Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities 25 S.C. Code Ann. Regs. 61-67 Appendix A, as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.

UNITED UTILITY COMPANIES, INC.

SCHEDULE OF **PROPOSED** RATES AND CHARGES

SEWER

1. Monthly Charges

Residential

Monthly charge per single-family house, condominium, villa, or apartment unit:

\$83.39 per unit

Mobile Homes – monthly charge

\$61.51 per unit

Commercial

Monthly charge per single-family equivalent\*

\$83.39

Charge for Sewage Collection Service Only

When sewage is collected by the Utility and transferred to a government body or agency, or other entity for treatment, the Utility’s rates are as follows:

Residential

Monthly charge per single-family house, condominium, mobile home, or apartment unit

\$42.63 per unit

Commercial

Monthly charge per single-family equivalent\*

\$42.63

The Utility will also charge for treatment services provided by the government body or agency or other entity. The rates imposed or charged by the government body or agency or other entity providing treatment will be charged to the Utility’s affected customers on a pro rata basis, without markup. Where the Utility is required under the terms of a 201/208 Plan to interconnect to the sewage treatment system of a government body or agency or other entity and tap/connection/impact fees are imposed by that entity, such tap/connection/impact fees will be charged to the Utility’s affected customers on a pro rata basis, without markup.

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

## EXHIBIT "A"

The Utility will, for the convenience of the owner, bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master sewer meter or a single sewer connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored. Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.

### Solids Interceptor Tanks

For all customers receiving sewage collection service through an approved solids interceptor tank, the following additional charges shall apply:

#### A. Pumping Charge

At such time as the Utility determines through its inspection that excessive solids have accumulated at the interceptor tank, the Utility will arrange for pumping the tank, and the **actual cost** to the Utility for pumping the tank will be billed to the customer; the minimum pumping charge shall be \$150.00. The cost of the Utility's pumping charge will be included as a separate item in the next regular billing to the customer.

#### B. Pump Repair or Replacement Charge

If a separate pump is required to transport the customer's sewage from solids interceptor tank to the Utility's sewage collection system, the Utility will arrange to have this pump repaired or replaced as required and will include the cost of such repair or replacement as a separate item in the next regular billing to the customer and may be paid for over a one-year period.

#### C. Visual Inspection Port

In order for a customer who uses a solids interceptor tank to receive sewage service from the Utility or to continue to receive such service, the customer shall install at the customer's expense a visual inspection port which will allow for observation of the contents of the solids interceptor tank and extraction of test samples therefrom. Failure to provide such visual inspection port after timely notice of not less than thirty (30) days shall be just cause for interruption of service until a visual inspection port has been installed.

## 2. Non-recurring Charges

- |  |          |
|--|----------|
| A) Sewer service connection charge per single-family equivalent* | \$100.00 |
| B) Plant impact fee per single-family equivalent*                | \$400.00 |

The non-recurring charges listed above are minimum charges and apply even if the equivalency rating of a non-residential customer is less than one (1). If the equivalency rating of a non-residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges

## EXHIBIT "A"

apply and are due at the time new service is applied for, or at the time connection to the sewer system is requested.

### 3. Notification, Account Set-Up and Disconnection Charges

- a. Notification Fee: A fee of fifteen dollars (\$15) shall be charged to each customer per notice to whom the Utility mails the notice as required by Commission Rule R.103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.
- b. Customer Account Charge: A fee of thirty dollars (\$30.00) shall be charged as a one-time fee to defray the costs of initiating service. This charge will be waived if the customer is also a water customer.
- c. Disconnection Charges: In addition to any other charges that may be due, in those cases where a customer's service has been disconnected for any reason as set forth in Commission Rule R.103-532.4, the customer is found to have vacated his premises or the customer has shown his intent to vacate his premises and the imposition of a reconnection charge is not feasible, a disconnection fee in the amount of \$500.00 shall be due at the time the customer disconnects service. Where an elder valve has been previously installed, a disconnection fee of forty dollars (\$40.00) shall be charged.
- d. Tampering Charge: In the event the Utility's equipment, sewage pipes, meters, curb stops, service lines, elder valves or other facilities have been damaged, tampered with or molested by a customer, the Utility may charge a customer in any responsible for the damage a fee of \$250.00 to repair the equipment.

### 4. Billing Cycle

Recurring charges will be billed monthly in arrears. Non-recurring charges will be billed and collected in advance of service being provided.

### 5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 ½%) for each month, or any part of a month, that said payment is late.

### 6. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capabilities of the Utility, the Utility may, in lieu of mailing a paper copy, provide an electronic bill to the customer on the Utility's website. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-732.1 as may be amended from time to time. Late payment charges will not be triggered until twenty-five (25) days after the Utility issues the electronic bill and it leaves the control of the Utility or its billing agent. The Utility must provide notice to the customer that the bill form is available for review within twenty-four hours of its issuance and the web address of its location.

## EXHIBIT "A"

7. Toxic and Pretreatment Effluent Guidelines

The Utility will not accept or treat any substance or material that has not been defined by the United States Environmental Protection Agency ("EPA") or the South Carolina Department of Health and Environmental Control ("DHEC") as a toxic pollutant, hazardous waste, or hazardous substance, including pollutants falling within the provisions of 40 CFR 129.4 and 401.15. Additionally, pollutants or pollutant properties subject to 40 CFR 403.5 and 403.6 are to be processed according to pretreatment standards applicable to such pollutants or pollutant properties, and such standards constitute the Utility's minimum pretreatment standards. Any person or entity introducing any such prohibited or untreated materials into the Company's sewer system may have service interrupted without notice until such discharges cease, and shall be liable to the Utility for all damages and costs, including reasonable attorney's fees, incurred by the Utility as a result thereof.

8. Construction Standards

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed.

9. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its sewer system. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service unless sewer capacity is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has restricted the Utility from adding for any reason additional customers to the serving sewer system. In no event will the Utility be required to construct additional wastewater treatment capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding wastewater treatment capacity to the affected sewer system.

\*A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Health and Environmental Control Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities -- 25 S.C. Code Ann. Regs. 61-67 Appendix A, as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.

**EXHIBIT**

**B**



United Utility Company  
Balance Sheet  
December 31, 2012

Schedule A  
Page 1 of 1

ASSETS		LIABILITIES AND OTHER CREDITS	
=====		=====	
Plant In Service		Capital Stock and Retained Earnings	
Water	\$ 535,763	Common Stock and Paid In Capital	\$ 1,566,753
Sewer	<u>5,674,390</u>	Retained Earnings	(1,515,279)
Total	<u>\$ 6,210,153</u>	Total	<u>\$ 51,474</u>
Accumulated Depreciation-Water	\$ (78,578)	Current and Accrued Liabilities	
Accumulated Depreciation-Sewer	<u>(543,449)</u>	Accounts Payable-Trade	\$ 44,631
Total	<u>\$ (622,027)</u>	Taxes Accrued	21,919
Net Utility Plant	<u>\$ 5,588,126</u>	Customer Deposits	22,846
		Customer Deposits - Interest	4,551
		A/P - Assoc. Companies	3,246,926
		Total	<u>\$ 3,340,873</u>
		Deferred Credits	
Plant Acquisition Adjustment-Water	\$ -	Water	\$ -
Plant Acquisition Adjustment-Sewer	<u>-</u>	Sewer	-
Total	<u>\$ -</u>	Total	<u>\$ -</u>
		Advances In Aid of Construction	
		Water	\$ -
		Sewer	-
		Total	<u>\$ -</u>
		Contributions In Aid of Construction	
Construction Work In Process-Water	\$ -	Water	\$ 212,772
Construction Work In Process-Sewer	<u>(0)</u>	Sewer	1,921,157
Total	<u>\$ (0)</u>	Total	<u>\$ 2,133,928</u>
Current Assets		Accumulated Deferred Income Tax	
Cash	\$ (1,495)	Unamortized ITC	\$ -
Accounts Receivable - Net	80,209	Deferred Tax - Federal	453,754
Other Current Assets	<u>4,435</u>	Deferred Tax - State	30,704
Total	<u>\$ 83,149</u>	Total	<u>\$ 484,459</u>
Deferred Charges	<u>\$ 339,460</u>		
TOTAL ASSETS	<u>\$ 6,010,734</u>	TOTAL LIABILITIES AND OTHER CREDITS	<u>\$ 6,010,734</u>

\*Note - The balance sheet reflects the total assets, liabilities, and equity of United Utility Company.

United Utility Company  
Combined Operations  
December 31, 2012

Schedule B  
Page 1 of 4

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
<b>Operating Revenues</b>					
Service Revenues - Water	\$ 65,069	\$ 1,255 [a]	\$ 66,324	\$ 25,387 [l]	\$ 91,711
Service Revenues - Sewer	801,142	(732) [a]	800,409	447,190 [l]	1,247,599
Miscellaneous Revenues	24,005	-	24,005	-	24,005
Uncollectible Accounts	(12,319)	(12) [b]	(12,331)	(6,687) [m]	(19,018)
<b>Total Operating Revenues</b>	<b>\$ 877,896</b>	<b>\$ 511</b>	<b>\$ 878,407</b>	<b>\$ 455,890</b>	<b>\$ 1,344,297</b>
<b>Maintenance Expenses</b>					
Salaries and Wages	\$ 151,112	\$ 18,356 [c]	\$ 169,467	\$ -	\$ 169,467
Purchased Power	102,030	2 [d]	102,032	-	102,032
Purchased Sewer & Water	13,279	-	13,279	-	13,279
Maintenance and Repair	132,697	-	132,697	-	132,697
Maintenance Testing	63,086	-	63,086	-	63,086
Meter Reading	640	-	640	-	640
Chemicals	53,513	50 [d]	53,563	-	53,563
Transportation	11,229	14,949 [n]	26,178	-	26,178
Operating Exp. Charged to Plant	(17,998)	2,913 [c]	(35,084)	-	(35,084)
<b>Total</b>	<b>\$ 489,588</b>	<b>\$ 35,270</b>	<b>\$ 525,858</b>	<b>\$ -</b>	<b>\$ 525,858</b>
<b>General Expenses</b>					
Salaries and Wages	\$ 29,001	\$ (131) [c]	\$ 28,870	\$ -	\$ 28,870
Office Supplies & Other Office Exp.	35,583	(20,800) [k]	14,783	-	14,783
Regulatory Commission Exp.	41,241	53,388 [e]	94,629	-	94,629
Pension & Other Benefits	17,886	23,402 [c]	40,288	-	40,288
Rent	106	-	106	-	106
Insurance	9,298	-	9,298	-	9,298
Office Utilities	25,519	-	25,519	-	25,519
Outside Services - Other	6,174	-	6,174	-	6,174
Non-Utility Misc Income	-	-	-	-	-
Miscellaneous	(54)	4,454 [o]	4,400	2,353 [o]	5,753
<b>Total</b>	<b>\$ 164,755</b>	<b>\$ 59,312</b>	<b>\$ 224,067</b>	<b>\$ 2,353</b>	<b>\$ 226,420</b>
Depreciation	\$ 110,329	\$ 7,570 [f]	\$ 117,999	\$ -	\$ 117,999
Amortization of CIAC	(40,649)	(96) [f]	(40,745)	-	(40,745)
Taxes Other Than Income	125,714	13,258 [g]	138,972	4,421 [g]	143,393
Income Taxes - Federal	(28,067)	(37,176) [h]	(65,243)	152,653 [h]	87,410
Income Taxes - State	5,758	(15,569) [h]	(9,811)	22,955 [h]	13,144
Amort. Investment Tax Credit	-	-	-	-	-
Amortization of PAA	-	- [f]	-	-	-
<b>Total</b>	<b>\$ 170,085</b>	<b>\$ (31,913)</b>	<b>\$ 141,172</b>	<b>\$ 180,029</b>	<b>\$ 321,201</b>
<b>Total Operating Expenses</b>	<b>\$ 827,428</b>	<b>\$ 63,669</b>	<b>\$ 891,097</b>	<b>\$ 182,392</b>	<b>\$ 1,073,489</b>
<b>Net Operating Income</b>	<b>\$ 50,468</b>	<b>\$ (63,157)</b>	<b>\$ (12,689)</b>	<b>\$ 283,498</b>	<b>\$ 370,808</b>
Interest During Construction	\$ (6)	\$ 6 [i]	\$ -	\$ -	\$ -
Interest on Debt	128,801	(20,325) [j]	108,475	-	108,475
<b>Net Income</b>	<b>\$ (78,327)</b>	<b>\$ (42,837)</b>	<b>\$ (121,165)</b>	<b>\$ 283,498</b>	<b>\$ 162,333</b>

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
<b>Operating Revenues</b>					
Service Revenues - Water	\$ 65,069	\$ 1,255 [a]	\$ 66,324	\$25,387 [l]	\$91,711
Service Revenues - Sewer	-	-	-	-	-
Miscellaneous Revenues	2,196	-	2,196	-	2,196
Uncollectible Accounts	(1,127)	(22) [a]	(1,149)	(440) [m]	(1,589)
<b>Total Operating Revenues</b>	<b>\$ 66,138</b>	<b>\$ 1,234</b>	<b>\$ 67,371</b>	<b>\$ 24,947</b>	<b>\$ 92,319</b>
<b>Maintenance Expenses</b>					
Salaries and Wages	\$ 13,827	\$ 5,617 [c]	\$ 19,444	\$ -	\$ 19,444
Purchased Power	4,711	91 [d]	4,802	-	4,802
Purchased Water	-	-	-	-	-
Maintenance and Repair	10,265	-	10,265	-	10,265
Maintenance Testing	13,605	-	13,605	-	13,605
Meter Reading	59	-	59	-	59
Chemicals	4,896	94 [d]	4,991	-	4,991
Transportation	1,027	1,296 [n]	2,324	-	2,324
Operating Exp. Charged to Plant	(3,477)	(5,532) [c]	(9,009)	-	(9,009)
<b>Total</b>	<b>\$ 44,913</b>	<b>\$ 1,567</b>	<b>\$ 46,480</b>	<b>\$ -</b>	<b>\$ 46,480</b>
<b>General Expenses</b>					
Salaries and Wages	\$ 2,654	\$ 429 [c]	\$ 3,083	\$ -	\$ 3,083
Office Supplies & Other Office Exp.	1,353	-	1,353	-	1,353
Regulatory Commission Exp.	3,774	4,881 [e]	8,654	-	8,654
Pension & Other Benefits	1,637	3,027 [c]	4,664	-	4,664
Rent	10	-	10	-	10
Insurance	851	-	851	-	851
Office Utilities	2,335	-	2,335	-	2,335
Outside Services	565	-	565	-	565
Non-Utility Misc Income	-	-	-	-	-
Miscellaneous	(5)	-	-	-	-
<b>Total</b>	<b>\$ 13,172</b>	<b>\$ 8,680</b>	<b>\$ 21,852</b>	<b>\$ 127</b>	<b>\$ 21,979</b>
Depreciation	\$ 9,413	\$ 1,193 [f]	\$ 10,607	\$ -	\$ 10,607
Amortization of CIAC	(4,216)	0 [f]	(4,215)	-	(4,215)
Taxes Other Than Income	11,503	1,656 [g]	13,159	238 [g]	13,397
Income Taxes - Federal	(2,568)	(7,033) [h]	(9,601)	8,174 [h]	(1,427)
Income Taxes - State	527	(1,971) [h]	(1,444)	1,229 [h]	(215)
Amort. Investment Tax Credit	-	-	-	-	-
Amortization of PAA	-	- [f]	-	-	-
<b>Total</b>	<b>\$ 14,659</b>	<b>\$ (5,154)</b>	<b>\$ 8,506</b>	<b>\$ 9,640</b>	<b>\$ 18,146</b>
<b>Total Operating Expenses</b>	<b>\$ 72,744</b>	<b>\$ 4,093</b>	<b>\$ 76,837</b>	<b>\$ 9,767</b>	<b>\$ 86,605</b>
<b>Net Operating Income</b>	<b>\$ (6,606)</b>	<b>\$ (2,860)</b>	<b>\$ (9,466)</b>	<b>\$ 15,180</b>	<b>\$ 5,714</b>
Interest During Construction	\$ (1)	\$ 1 [i]	\$ -	\$ -	\$ -
Interest on Debt	11,785	(3,421) [i]	8,365	-	8,365
<b>Net Income</b>	<b>\$ (18,391)</b>	<b>\$ 560</b>	<b>\$ (17,831)</b>	<b>\$ 15,180</b>	<b>\$ (2,651)</b>

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
<b>Operating Revenues</b>					
Service Revenues - Water	\$ -	\$ -	\$ -	\$ -	\$ -
Service Revenues - Sewer	801,142	(732) [a]	800,409	447,190 [l]	1,247,599
Miscellaneous Revenues	21,808	-	21,808	-	21,808
Uncollectible Accounts	(11,192)	10 [b]	(11,182)	(6,247) [m]	(17,429)
<b>Total Operating Revenues</b>	<b>\$ 811,758</b>	<b>\$ (722)</b>	<b>\$ 811,036</b>	<b>\$ 440,943</b>	<b>\$ 1,251,978</b>
<b>Maintenance Expenses</b>					
Salaries and Wages	\$ 137,285	\$ 12,739 [c]	\$ 150,023	\$ -	\$ 150,023
Purchased Power	97,319	(89) [d]	97,230	-	97,230
Purchased Sewer	13,279	-	13,279	-	13,279
Maintenance and Repair	122,432	-	122,432	-	122,432
Maintenance Testing	49,482	-	49,482	-	49,482
Meter Reading	582	-	582	-	582
Chemicals	48,616	(44) [d]	48,572	-	48,572
Transportation	10,201	13,653 [n]	23,854	-	23,854
Operating Exp. Charged to Plant	(34,521)	8,445 [e]	(26,076)	-	(26,076)
<b>Total</b>	<b>\$ 444,675</b>	<b>\$ 34,703</b>	<b>\$ 479,378</b>	<b>\$ -</b>	<b>\$ 479,378</b>
<b>General Expenses</b>					
Salaries and Wages	\$ 26,347	\$ (560) [c]	\$ 25,787	\$ -	\$ 25,787
Office Supplies & Other Office Exp.	34,231	(20,800) [k]	13,430	-	13,430
Regulatory Commission Exp.	37,468	48,507 [e]	85,975	-	85,975
Pension & Other Benefits	16,250	19,375 [e]	35,624	-	35,624
Rent	97	-	97	-	97
Insurance	8,447	-	8,447	-	8,447
Office Utilities	23,184	-	23,184	-	23,184
Outside Services	5,609	-	5,609	-	5,609
Non-Utility Misc Income	-	-	-	-	-
Miscellaneous	(49)	4,111 [o]	4,062	2,236 [o]	6,298
<b>Total</b>	<b>\$ 151,583</b>	<b>\$ 50,632</b>	<b>\$ 202,215</b>	<b>\$ 2,236</b>	<b>\$ 204,451</b>
Depreciation	\$ 100,916	\$ 6,476 [f]	\$ 107,392	\$ -	\$ 107,392
Amortization of CIAC	(36,433)	(96) [f]	(36,530)	-	(36,530)
Taxes Other Than Income	114,212	11,601 [g]	125,813	4,184 [g]	129,997
Income Taxes - Federal	(25,499)	(30,143) [h]	(55,641)	144,479 [h]	88,837
Income Taxes - State	5,231	(13,598) [h]	(8,367)	21,726 [h]	13,359
Amort. Investment Tax Credit	-	-	-	-	-
Amortization of PAA	-	- [f]	-	-	-
<b>Total</b>	<b>\$ 158,426</b>	<b>\$ (25,759)</b>	<b>\$ 132,666</b>	<b>\$ 170,389</b>	<b>\$ 303,055</b>
<b>Total Operating Expenses</b>	<b>\$ 754,684</b>	<b>\$ 59,575</b>	<b>\$ 814,259</b>	<b>\$ 172,625</b>	<b>\$ 986,884</b>
<b>Net Operating Income</b>	<b>\$ 57,074</b>	<b>\$ (60,298)</b>	<b>\$ (3,224)</b>	<b>\$ 268,318</b>	<b>\$ 265,094</b>
Interest During Construction	\$ (5)	\$ 5 [i]	\$ -	\$ -	\$ -
Interest on Debt	117,016	(16,906) [i]	100,110	-	100,110
<b>Net Income</b>	<b>\$ (59,937)</b>	<b>\$ (43,397)</b>	<b>\$ (103,334)</b>	<b>\$ 268,318</b>	<b>\$ 164,984</b>

United Utility Company  
Explanation of Adjustments to Income Statement

Schedule B  
Page 4 of 4

- (a) Revenues are annualized to reflect year end customers at current rates.
- (b) Uncollectibles are adjusted at test year percentages for annualized revenues.
- (c) Salaries, wages and benefits are adjusted for annualization for employees working at or for United Utility Company as of current. In addition, capitalized time has been adjusted to reflect current capitalized time rates for current employees.
- (d) Purchased power and chemicals have been increased or decreased in direct correlation with annualized revenues.
- (e) Regulatory expense has been adjusted for the total estimated cost of this case and the unamortized portion of the prior case, amortized over three years.
- (f) Depreciation and amortization are annualized at 1.5% on depreciable/amortizable assets/CIAC. Separate from these assets, depreciation has been calculated and included for computers, vehicles, and other allocated plant.
- (g) Taxes other than income are adjusted to annualize gross receipts, utility or commission taxes, and franchise taxes at present and proposed revenues. Taxes other than income also includes payroll taxes adjusted for the annualization of salaries.
- (h) Income taxes are computed on taxable income at current rates.
- (i) AFUDC is eliminated for rate making purposes.
- (j) Interest on debt has been computed using a 52.44%/47.56% debt/equity ratio and a 6.60% cost of debt.
- (k) Non-recoverable items have been removed.
- (l) Revenues are increased to reflect United Utility Company's requested incremental revenue adjustment.
- (m) Uncollectibles are adjusted at test year percentages for the requested incremental revenue adjustment.
- (n) Transportation expense has been adjusted to reflect the expense as allocated by driver.
- (o) A leak mitigation fund of 0.5% has been added.

United Utility Company  
Combined Operations  
Rate Base and Rate of Return  
December 31, 2012

Schedule C  
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	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Proposed Increase
Net Operating Income	\$ 50,468	\$ (63,157)	\$ (12,689)	\$ 283,498	\$ 270,808
Gross Plant In Service	\$ 6,210,153	\$ 52,966 [a]	\$ 6,263,118	\$ -	\$ 6,263,118
Accumulated Depreciation	(622,027)	(39,379) [b]	(661,407)	-	(661,407)
Net Plant In Service	5,588,126	13,586	5,601,712	-	5,601,712
Cash Working Capital	81,793	12,243 [c]	94,036	-	94,036
Contributions In Aid of Construction	(2,133,928)	-	(2,133,928)	-	(2,133,928)
Accumulated Deferred Income Taxes	(484,459)	-	(484,459)	-	(484,459)
Customer Deposits	(27,397)	-	(27,397)	-	(27,397)
Advances in Aid of Construction	-	-	-	-	-
Plant Acquisition Adjustment	-	-	-	-	-
General Ledger Additions	-	82,594 [d]	82,594	-	82,594
Pro Forma Plant	-	-	-	-	-
Pro Forma Plant Retirements	-	-	-	-	-
Total Rate Base	\$ 3,024,135	\$ 108,423	\$ 3,132,558	\$ -	\$ 3,132,558
Return on Rate Base	1.67%		-0.41%		8.64% [e]

**United Utility Company**  
**Water Operations**  
**Rate Base and Rate of Return**  
**December 31, 2012**

**Schedule C**  
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	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Proposed Increase
Net Operating Income	<u>\$ (6,606)</u>	<u>\$ (2,860)</u>	<u>\$ (9,466)</u>	<u>\$ 15,180</u>	<u>\$ 5,714</u>
Gross Plant In Service	\$ 535,763	\$ 4,532 [a]	\$ 540,294	\$ -	\$ 540,294
Accumulated Depreciation	<u>(78,578)</u>	<u>(4,050) [b]</u>	<u>(82,628)</u>	-	<u>(82,628)</u>
Net Plant In Service	457,185	482	457,666	-	457,666
Cash Working Capital	7,261	1,296 [c]	8,557	-	8,557
Contributions In Aid of Construction	(212,772)	-	(212,772)	-	(212,772)
Accumulated Deferred Income Taxes	(44,328)	-	(44,328)	-	(44,328)
Customer Deposits	(2,507)	-	(2,507)	-	(2,507)
Advances in Aid of Construction	-	-	-	-	-
Plant Acquisition Adjustment	-	34,943 [d]	34,943	-	34,943
General Ledger Additions	-	-	-	-	-
Pro Forma Plant	-	-	-	-	-
Pro Forma Plant Retirements	-	-	-	-	-
Total Rate Base	<u>\$ 204,839</u>	<u>\$ 36,721</u>	<u>\$ 241,560</u>	<u>\$ -</u>	<u>\$ 241,560</u>
Return on Rate Base	<u>-3.22% [e]</u>		<u>-3.92% [e]</u>		<u>2.37% [e]</u>

Object Account	NARUC Account	Account Description	Balance at 12/31/12
1020	301.1	ORGANIZATION	\$ 6,000
1025	302.1	FRANCHISES	17,743
1030	303.2	LAND & LAND RIGHTS PUMP	-
1045	303.5	LAND & LAND RIGHTS GEN PL	2,538
1050	304.2	STRUCT & IMPRV SRC SUPPLY	41,258
1055	304.3	STRUCT & IMPRV WTR TRT PL	6,409
1060	304.4	STRUCT & IMPRV WTR TRAN DIST	-
1065	304.5	STRUCT & IMPRV GEN PLT	2,878
1080	307.2	WELLS & SPRINGS	51,059
1090	309.2	SUPPLY MAINS	1,574
1100	311.2	ELECTRIC PUMP EQUIP SRC P	3,512
1105	311.3	ELECTRIC PUMP EQUIP WTP	38,168
1110	311.2	ELECTRIC PUMP EQUIP SRC P	554
1115	320.3	WATER TREATMENT EQPT	71,685
1120	330.4	DIST RESV & STANDPIPES	70,722
1125	331.4	TRANS & DISTR MAINS	152,550
1130	333.4	SERVICE LINES	19,876
1135	334.4	METERS	10,076
1140	334.4	METER INSTALLATIONS	8,327
1145	335.4	HYDRANTS	-
1150	336.4	BACKFLOW PREVENTION DEVIC	226
1155	339.1	OTH PLT&MISC EQUIP INTANG	678
1165	339.3	OTH PLT&MISC EQUIP WTP	-
1170	339.4	OTH PLT&MISC EQUIP TRANS	-
1175/1455	304.5/354.7	OFFICE STRUCT & IMPRV	2,443
1180/1460	340.5/390.7	OFFICE FURN & EQPT	2,950
1185/1465	342.5/392.7	STORES EQPT	-
1190/1470	343.5/393.7	TOOL SHOP & MISC EQPT	4,845
1195/1475	344.5/394.7	LABORATORY EQUIPMENT	2,643
1200/1480	345.5/395.7	POWER OPERATED EQUIP	129
1205/1490	346.5/396.7	COMMUNICATION EQPT	577
1210/1495	347.5/397.7	MISC EQUIPMENT	71
1220	348.5	OTHER TANGIBLE PLT WATER	1,053
1555	341.5/391.7	TRANSPORTATION EQPT	4,296
1580	340.5/390.7	MAINFRAME COMPUTER	434
1585	340.5/390.7	MINI COMPUTERS	1,680
1590	340.5/390.7	COMP SYS COST	8,575
1595	340.5/390.7	MICRO SYS COST	235
2620	348.5/398.7	UTIL PLANT ACQUIRED/DISPOSED	-
			<u>\$ 535,763</u>



**United Utility Company**  
**Sewer Operations**  
**Rate Base and Rate of Return**  
**December 31, 2012**

**Schedule C**  
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	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Proposed Increase
Net Operating Income	<u>\$ 57,074</u>	<u>\$ (60,298)</u>	<u>\$ (3,224)</u>	<u>\$ 268,318</u>	<u>\$ 265,094</u>
Gross Plant In Service	\$ 5,674,390	\$ 48,434 [a]	\$ 5,722,824	\$ -	\$ 5,722,824
Accumulated Depreciation	<u>(543,449)</u>	<u>(35,329)</u> [b]	<u>(578,779)</u>	-	<u>(578,779)</u>
Net Plant In Service	5,130,941	13,105	5,144,045	-	5,144,045
Cash Working Capital	74,532	10,947 [c]	85,479	-	85,479
Contributions In Aid of Construction	(1,921,157)	-	(1,921,157)	-	(1,921,157)
Accumulated Deferred Income Taxes	(440,131)	-	(440,131)	-	(440,131)
Customer Deposits	(24,890)	-	(24,890)	-	(24,890)
Advances in Aid of Construction	-	-	-	-	-
Plant Acquisition Adjustment	-	-	-	-	-
General Ledger Additions	-	47,650 [d]	47,650	-	47,650
Pro Forma Plant	-	-	-	-	-
Pro Forma Plant Retirements	-	-	-	-	-
Total Rate Base	<u>\$ 2,819,295</u>	<u>\$ 71,702</u>	<u>\$ 2,890,997</u>	<u>\$ -</u>	<u>\$ 2,890,997</u>
Return on Rate Base	<u>2.02%</u>		<u>-0.11%</u>		<u>9.17%</u> [e]

Object Account	NARUC Account	Account Description	Balance at 12/31/12
1245	351.1	ORGANIZATION	\$ 14,349
1250	352.1	FRANCHISES INTANG PLT	11,136
1255	352.6	FRANCHISES RECLAIM WTR DI	-
1265	353.2	LAND & LAND RIGHTS COLL P	-
1270	353.4	LAND & LAND RIGHTS TRTMNT	-
1275	353.5	LAND & LAND RIGHTS RECLAI	-
1280	353.6	LAND & LAND RIGHTS RCL DS	-
1285	353.7	LAND & LAND RIGHTS GEN PL	15,287
1290	354.2	STRUCT/IMPRV COLL PLT	2,074
1295	354.3	STRUCT/IMPRV PUMP PLT LS	458,662
1300	354.4	STRUCT/IMPRV TREAT PLT	685,578
1305	354.5	STRUCT/IMPRV RECLAIM WTP	-
1310	354.6	STRUCT/IMPRV RECLAIM WTR	1,488
1315	354.7	STRUCT/IMPRV GEN PLT	68,435
1320	355.2	POWER GEN EQUIP COLL PLT	-
1325	355.3	POWER GEN EQUIP PUMP PLT	-
1330	355.4	POWER GEN EQUIP TREAT PLT	-
1335	355.5	POWER GEN EQUIP RECLAIM W	-
1340	355.6	POWER GEN EQUIP RCL WTR D	-
1345	360.2	SEWER FORCE MAIN	300,912
1350	361.2	SEWER GRAVITY MAIN/MANHOL	1,600,386
1353	361.2	MANHOLES	3,284
1355	362.2	SPECIAL COLL STRUCTURES	-
1360	363.2	SERVICES TO CUSTOMERS	81,085
1365	364.2	FLOW MEASURE DEVICES	12,171
1370	365.2	FLOW MEASURE INSTALL	-
1375	370.3	RECEIVING WELLS	-
1380	371.3	PUMPING EQUIPMENT PUMP PI	124,193
1385	371.5	PUMPING EQUIPMENT RECLAIM	4,925
1390	371.6	PUMPING EQUIPMENT RCL WTR	-
1395	380.4	TREAT/DISP EQUIP LAGOON	80,193
1400	380.4	TREAT/DISP EQUIP TRT PLT	1,903,261
1405	380.5	TREAT/DISP EQUIP RCL WTP	-
1410	381.4	PLANT SEWERS TRTMT PLT	6,071
1415	381.5	PLANT SEWERS RECLAIM WTP	3,812
1420	382.4	OUTFALL LINES	1,493
1425	398.7	OTHER PLT TANGIBLE	-
1430	389.2	OTHER PLT COLLECTION	-
1435	389.3	OTHER PLT PUMP	3,896
1440	389.4	OTHER PLT TREATMENT	2,184
1445	389.5	OTHER PLT RECLAIM WTR TRT	-
1450	389.6	OTHER PLT RECLAIM WTR DIS	-
1175/1455	304.5/354.7	OFFICE STRUCT & IMPRV	24,254
1180/1460	340.5/390.7	OFFICE FURN & EQPT	29,288
1185/1465	342.5/392.7	STORES EQPT	-
1190/1470	343.5/393.7	TOOL SHOP & MISC EQPT	48,107
1195/1475	344.5/394.7	LABORATORY EQUIPMENT	26,242
1200/1485	345.5/395.7	POWER OPERATED EQUIP	1,283
1205/1490	346.5/396.7	COMMUNICATION EQPT	5,726
1210/1495	347.5/397.7	MISC EQUIPMENT	709
1495	398.7	SEWER PLANT ALLOCATED	-
1500	398.7	OTHER TANGIBLE PLT SEWER	-
1525	366.6	REUSE SERVICES	-
1530	367.6	REUSE MTR/INSTALLATIONS	-
1535	374.5	REUSE DIST RESERVOIRS	1,123
1540	375.6	REUSE TRANSMISSION & DIST	1,655
1555	341.5/391.7	TRANSPORTATION EQPT WTR	42,659

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1580	340.5/390.7	MAINFRAME COMPUTER WTR	4,311
1585	340.5/390.7	MINI COMPUTERS WTR	16,681
1590	340.5/390.7	COMP SYS COST WTR	85,141
1595	340.5/390.7	MICRO SYS COST WTR	2,334
2620	348.5/398.7	UTIL PLANT ACQUIRED/DISPOSED	-
			<u>\$ 5,674,390</u>

**United Utility Company**

**Explanation of Adjustments to Rate Base and Rate of Return**

**Schedule C**  
**Page 7 of 7**

- [a] Gross plant in service is adjusted to reflect adjusted vehicles, allocated by the various accurate allocation percentages for United Utility Company
- [b] Per books A/D has been adjusted for depreciable assets at 1.5%.  
Separate from these assets, A/D has been calculated and included for computers, vehicles, and other allocated plant
- [c] Cash working capital is calculated based on 1/8 of maintenance and general expenses.
- [d] A pro forma adjustment has been made to include actual/estimated pro forma plant and general ledger additions.
- [e] The Return on Rate Base shown above is provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any return on equity). Applicant will make its request for a return on rate base (and return on equity) by way of evidence to be introduced at hearing.

**WATER**

Bill code	Description	Consumption	Usage Charge	Units	BFC	Revenues
		1.1.12 - 1.12.12	1.1.12 - 1.12.12	1.1.12 - 1.12.12	1.1.12 - 1.12.12	
403WRES	3/4" Residential Water Service	49,880	\$ 4.50		\$ 11.50	
403WRES	5/8" Residential Water Service	467,590	\$ 4.50		\$ 11.50	
	Total	517,470		100		\$ 3,474

Bill code	Description	Consumption	Usage Charge	Units	BFC	Revenues
		1.13.12 - 12.31.12	1.13.12 - 12.31.12	1.13.12 - 12.31.12	1.13.12 - 12.31.12	
403WRES	3/4" Residential Water Service	182,590	\$ 7.79		\$ 15.18	
403WRES	5/8" Residential Water Service	5,535,000	\$ 7.79		\$ 15.18	
	Total	5,717,590		1,095		61,168
Grand Total		6,235,060		1,195		\$ 64,642

**SEWER**

Bill code	Description	Consumption	Usage Charge	Units/SFE's	BFC	Revenues
		1.1.12 - 1.12.12	1.1.12 - 1.12.12	1.1.12 - 1.12.12	1.1.12 - 1.12.12	
403WWRES	3/4" Residential Wastewater	-	\$ -		\$ 48.24	
403WWRES	5/8" Residential Wastewater	-	\$ -		\$ 48.24	
	Total	-		651		\$ 31,420
403WWCOM	Commercial Wastewater Service	-	\$ -	299	\$ 48.24	14,424
403WWMOB	Mobile Home Wastewater Service	-	\$ -	190	\$ 35.58	6,751
403WWVLG	Wastewater Residential Collection Charge	-	\$ -	349	\$ 24.66	8,596

Bill code	Description	Consumption	Usage Charge	Units/SFE's	BFC	Revenues
		1.13.12 - 12.31.12	1.13.12 - 12.31.12	1.13.12 - 12.31.12	1.13.12 - 12.31.12	
403WWRES	3/4" Residential Wastewater	-	\$ -		\$ 53.50	
403WWRES	5/8" Residential Wastewater	-	\$ -		\$ 53.50	
	Total	-		7,165		383,310
403WWCOM	Commercial Wastewater Service	-	\$ -	3,289	\$ 53.50	175,962
403WWMOB	Mobile Home Wastewater Service	-	\$ -	2,087	\$ 39.46	82,363
403WWVLG	Wastewater Residential Collection Charge	-	\$ -	3,834	\$ 27.35	104,871
	Grand Total	-		17,864		\$ 807,697

**WATER**

Bill code	Description	Test Year Consumption	Proposed Usage Charge	Test Year Units	Proposed BFC	Revenues
403WRES	3/4" Residential Water Service	231,125	\$ 10.77	-	\$ 21.00	
403WRES	5/8" Residential Water Service	5,967,859	\$ 10.77	-	\$ 21.00	
	Total	6,198,984		1,188		\$ 91,711
	Grand Total	<u>6,198,984</u>		<u>1,188</u>		<u>\$ 91,711</u>

**SEWER**

Bill code	Description	Consumption	Proposed Usage Charge	Units	Proposed Rate	Revenues
403WWRES	3/4" Residential Wastewater	-			\$ 83.39	
403WWRES	5/8" Residential Wastewater	-			\$ 83.39	
	Total	-	\$ -	7,680		\$ 640,435
403WWCOM	Commercial Wastewater Service	-	\$ -	3,600	\$ 83.39	300,204
403WWMOB	Mobile Home Wastewater Service	-	\$ -	2,196	\$ 61.51	135,076
403WWVLG	Wastewater Residential Collection Charge	-	\$ -	4,032	\$ 42.63	171,884
	Grand Total	<u>-</u>		<u>17,508</u>		<u>\$ 1,247,599</u>

United Utility Company  
December 31, 2012  
Customer Growth

Schedule F  
Page 1 of 1

<b>WATER</b>
--------------

Customers at January 1, 2012	99
Customers at December 31, 2012	99
Projected Customers at December 31, 2013	99

<b>WASTEWATER</b>
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Customers/SFEs at January 1, 2012	1,437
Customers/SFEs at December 31, 2012	1,459
Projected Customers/SFEs at December 31, 2013	1,459



United Utility Company  
Average Residential Bill at Present & Proposed Rates  
December 31, 2012

Schedule G  
Page 1 of 1

**WATER**

Present Rates	Description	Current Rate		Average		Date of Last Rate Increase
		Usage	Base	Usage	Bill	
403WRES	3/4" Residential Water Service	\$ 7.79	\$ 15.18			1/13/2012
403WRES	5/8" Residential Water Service	\$ 7.79	\$ 15.18	5.218	\$ 55.83	1/13/2012
						1/13/2012
Increase						
Proposed Rates	Description	Current Rate		Average		Increase
		Usage	Base	Usage	Bill	
403WRES	3/4" Residential Water Service	\$ 10.77	\$ 21.00			Amount
403WRES	5/8" Residential Water Service	\$ 10.77	\$ 21.00	5.218	\$ 77.20	Percent
						\$ 21.37 38.28%

**WASTEWATER**

Present Rates	Description	Current Rate		Average		Date of Last Rate Increase
		Usage	Base	Usage	Bill	
403WWRES	3/4" Residential Wastewater	\$ -	\$ 53.50	-	\$ 53.50	1/13/2012
403WWRES	5/8" Residential Wastewater	\$ -	\$ 53.50	-	\$ 53.50	1/13/2012
403WWCOM	Commercial Wastewater Service	\$ -	\$ 53.50	-	\$ 53.50	1/13/2012
403WWMOB	Mobile Home Wastewater Service	\$ -	\$ 39.46	-	\$ 39.46	1/13/2012
403WWVLG	Wastewater Residential Collection Charge	\$ -	\$ 27.35	-	\$ 27.35	1/13/2012
Increase						
Proposed Rates	Description	Current Rate		Average		Increase
		Usage	Base	Usage	Bill	
403WWRES	3/4" Residential Wastewater	\$ -	\$ 83.39	-	\$ 83.39	\$ 29.89 35.87%
403WWRES	5/8" Residential Wastewater	\$ -	\$ 83.39	-	\$ 83.39	\$ 29.89 35.87%
403WWCOM	Commercial Wastewater Service	\$ -	\$ 83.39	-	\$ 83.39	\$ 29.89 35.87%
403WWMOB	Mobile Home Wastewater Service	\$ -	\$ 61.51	-	\$ 61.51	\$ 22.05 35.88%
403WWVLG	Wastewater Residential Collection Charge	\$ -	\$ 42.63	-	\$ 42.63	\$ 15.28 35.87%

EXHIBIT

C



Catherine B. Templeton, Director

*Promoting and protecting the health of the public and the environment*

June 25, 2013 (corrected)

Mr. Scott Elliott  
Elliott & Elliott, P.A.  
1508 Lady Street  
Columbia, SC 29201

RE: United Utility Companies, Inc, Letter Dated June 20, 2013  
PSC Rate Case

Dear Mr. Elliott:

This letter serves to confirm that the three systems on the list provided all the valid DHEC permits needed to operate.

I can be reached at 803-898-4157 or at [debessjp@dhec.sc.gov](mailto:debessjp@dhec.sc.gov).

Sincerely,

Jeffrey P. deBessonnet, P.E., Director  
Water Facilities Permitting Division

cc: Shawn Clarke

RECE

ELLIOTT & ELLIOTT, P.A.

ATTORNEYS AT LAW

1508 Lady Street  
COLUMBIA, SOUTH CAROLINA 29201  
[sellott@elliottlaw.us](mailto:sellott@elliottlaw.us)

SCOTT ELLIOTT

TELEPHONE (803) 771-0555  
FACSIMILE (803) 771-8010

June 20, 2013

**VIA EMAIL AND U.S. MAIL**

Jeffrey P. deBessonnet, P.E., Director  
Water Facilities Permitting Division  
SC Department of Health and Environmental Control  
2600 Bull Street  
Columbia, SC 29201

RE: United Utility Companies, Inc.  
Docket No. 2013-199-WS

Dear Mr. deBessonnet:

As you are aware, this firm represents United Utility Companies, Inc. ("United") with respect to its application to the South Carolina Public Service Commission for adjustment of rates and charges. I would herewith request on my client's behalf that you confirm that United has valid South Carolina Department of Health and Environmental Control permits to operate the systems identified below:

System Name	Permit #
Trollingwood	2350010
Kingswood	2350011
Woodmont Estates	2350013

If you have questions, please feel free to contact me.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/mlw

cc: Charles L.A. Terreni, Esquire

EXHIBIT

D



United Utility Companies Inc  
 Phone: (800) 272-1919  
 Collections: (800) 272-1919  
 Customer Service: (800) 272-1919  
 www.uiwater.com

Bill Date	Account Number	Due Date	Credit Balance
05/21/2013		6/17/2013	\$-19.21

Name XXXXXXXXXX Primary Telephone # XXXXXXXXXX

Service Address XX

#### Activity Since Last Bill

Previous Balance	\$-11.59	
Payments received as of 05/21/2013	\$-40.00	
Balance as of 05/21/2013		\$-51.59

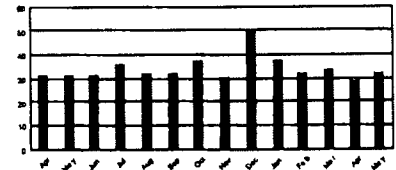
#### Residential Water Service

Water Base Charge	\$15.18	
1,910 gallons at \$7.79 per 1,000 gallons	\$14.88	
SC DHEC Fee	\$2.32	
Total Residential Water Service		\$32.38
<b>Total Amount Due</b>		<b>\$-19.21</b>

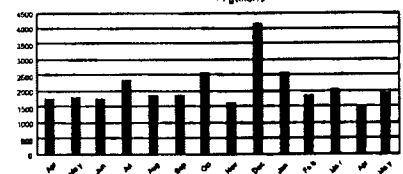
#### Summary of Service

Meter Reading	Meter #	
Current	1756420	05/15/2013
Previous	1754510	04/16/2013
Usage	1,910 Gallons	
Number of Days:	29	
Average Daily Use:	66 Gallons	
Average Daily Cost:	\$1.12	

#### Billing History



#### Consumption History



A fee of 1.5% per month will be added if unpaid by the due date.

Rate Schedules are available upon request. Make check payable to: United Utility Companies Inc

#### Messages

The Company is under the jurisdiction of the PSC. You may contact the ORS at 800-922-1531 with any complaints that remain unresolved after 7 days.

215



PO BOX 160609  
 Altamonte Springs, FL 32716



Account Number: XXXXXXXXXX  
 Due Date: 6/17/2013  
 Credit Balance \$-19.21

Amount Paid

**Do Not Pay**



United Utility Companies Inc  
 PO Box 11025  
 Lewiston ME 04243-9476



☐ Address correction requested on back

215

**Important Information to Help Serve You Better**

<b>Security</b>	To help us maintain the security surrounding your drinking water system, please call your local office listed on the front of your bill or the police if you notice any suspicious activity.
<b>Service</b>	If you experience a water or wastewater emergency, please call the Customer Service number listed on the front of your bill. Service operators are on-call 24 hours a day, 7 days a week.  Information, including how your water meter is read, can be found at <a href="http://www.uiwater.com">www.uiwater.com</a> or you may call our office at the number listed on the front of your bill.
<b>Contact Information</b>	Please be sure to let us know if your telephone number changes. We strive to offer efficient and responsible customer service. In the event that we encounter a problem in your water or wastewater system, we will need to contact you. To update your account information, you may call the Customer Service number listed on the front of your bill, or you may visit our website at <a href="http://www.uiwater.com">www.uiwater.com</a> or use the form below.
<b>Rate Information</b>	Rate schedule available upon request.

**Conservation Tips**

**Check your toilet.** Low-flow models use 1.6 gallons per flush and high-efficiency toilets use 1.0 to 1.28 gallons per flush, while older models use 3-7 gallons to flush a toilet. Leaking toilet is waste as much as 200 gallons each day or 73,000 gallons per year.

**Find out if you have a leak in your home.** Read your water meter before and after a one-hour period with no water is being used. Wait for the water meter and ice-cube makers to re-fill and for reverse osmosis or water softeners. If the readings are different after the one-hour period, you have a leak that should be investigated further.

**Go Green!**

**Web Self Service and Paperless Billing Options.** We are committed to providing excellent customer service to all of our customers and are pleased to offer web self-service and paperless billing options to our customers.  
Sign up today by visiting [www.uiwater.com/myaccount.php](http://www.uiwater.com/myaccount.php).

**Payment Methods**

<b>Automatic Payments</b>	Why write a check and pay postage? Make your payments automatically with Auto Pay. Contact us at the Customer Service number listed on the front of your bill or visit <a href="http://www.uiwater.com">www.uiwater.com</a> to download the Auto Pay Authorization form.
<b>By Internet</b>	Pay your bill online by visiting <a href="http://www.uiwater.com/customer_center/pay_online.php">www.uiwater.com/customer_center/pay_online.php</a> . Please be sure to have your account number ready. A convenience fee will be charged for using this option.
<b>By Phone</b>	Make payments using your checking account, debit or credit card by calling 1-877-527-7852. Please be sure to have your utility account number ready. A convenience fee will be charged for using this option.
<b>By Mail</b>	Use the envelope provided to mail your payment.

**Change of Address and Phone Information**

Complete the information below with your address and phone corrections and return with your payment.

Name _____		
Please Print _____		
Street _____		
City _____	State _____	Zip _____
Home Phone _____	Work Phone _____	
Email Address _____		

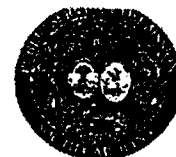
EXHIBIT

E





**SOUTH CAROLINA PUBLIC SERVICE COMMISSION**  
and  
**SOUTH CAROLINA OFFICE OF REGULATORY STAFF**  
GROSS RECEIPTS FOR THE TWELVE (12) MONTHS ENDING JUNE 30, 2012  
(Please correct preprinted information as required)



United Utility Companies, Inc.  
Company Name (as shown on Certificate)

List d/b/a and/or f/k/a aliases

200 Weatherfield Ave	Altamonte Springs	FL	32714-4027
Address	City	State	Zip Code
Patrick C. Flynn	1-321-972-0359	pcflynn@uiwater.com	
Regulatory Contact	Area Code & Phone Number	E-Mail	

**INTRASTATE GROSS RECEIPTS**

**Revenues Derived Via South Carolina Operations from:**

Water Revenues	\$ 54742
Sewer Revenues	768367
Electricity Revenues	
Natural Gas Revenues	
Railroad Revenues	
Telecommunications Revenues:	
ILEC (Local Exchange)	
CLEC (Competitive Local Exchange)	
IXC (Long Distance)	
PSP (Payphone Service Provider)	
Wireless (Eligible Telecommunications Carrier)	
<b>Total Revenues Derived Via South Carolina Operations</b>	<b>\$ 823109</b>

Preparer's Signature

Date

**Affidavit**

State of IL County of COOK

Personally appeared before me CHRIS FERGUSON who, being duly sworn, says that he/she is the TAX MANAGER of UNITED UTILITY COMPANIES INC (Company) and that the foregoing statement, for the twelve (12) months ending June 30, 2012, is correctly taken from the books and records of said Company, and is true to the best of his/her knowledge and belief.

Sworn to and subscribed before me this 1 day of August, 20 12.

Notary Public

My commission expires 5-4-2015



Place

Seal

Here

Return completed form to:

South Carolina Office of Regulatory Staff  
Gross Receipts Department  
1401 Main Street, Suite 900  
Columbia, SC 29201

Failure to timely complete and submit this form could result in the loss of your license, authority or certificate to operate in South Carolina.

**Return Deadline is August 31, 2012**

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**DOCKET NO. 2013-201-WS**

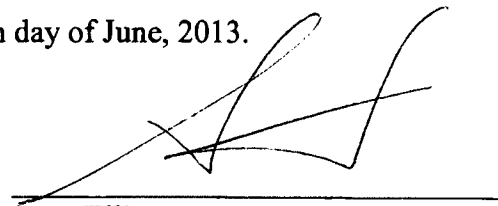
IN RE: Application of Utility Services of    )  
      South Carolina, Inc., for adjustment    )  
      of rates and charges and                )  
      modifications to certain terms and    )  
      conditions for the provision of        )  
      water and sewer service                )

**CERTIFICATE**  
**OF**  
**SERVICE**

This is to certify that I, Scott Elliott, Esquire, on June 28, 2013, caused to be served upon the person(s) named below a copy of the Application of Utility Services of South Carolina, Inc. with Exhibits and a copy of Motion for Appointment of Hearing Officer, in regards to the above matter on the person(s) named below, by email, to the following E-Mail address:

C. Dukes Scott, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, South Carolina 29201  
**Email Address: [cdscott@regstaff.sc.gov](mailto:cdscott@regstaff.sc.gov)**

Dated at Columbia, South Carolina this 28th day of June, 2013.

  
\_\_\_\_\_  
Scott Elliott

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**DOCKET NO. 2013-199-WS**

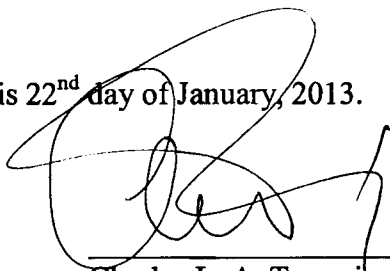
IN RE: Application of United Utility )  
Companies, Inc., for adjustment of )  
rates and charges and modifications )  
to certain terms and conditions )  
for the provision of water and sewer )  
service )

**CERTIFICATE  
OF  
SERVICE**

This is to certify that I, Scott Elliott, Esquire, on June 28, 2013, caused to be served upon the person(s) named below a copy of the Application of United Utility Companies, Inc. with Exhibits and a copy of Motion for Appointment of Hearing Officer, in regards to the above matter on the person(s) named below, by email, to the following E-Mail address:

C. Dukes Scott, Esquire  
Office of Regulatory Staff  
1401 Main Street, Suite 900  
Columbia, South Carolina 29201  
**Email Address: CScott@regstaff.sc.gov**

Dated at Columbia, South Carolina this 22<sup>nd</sup> day of January, 2013.

  
\_\_\_\_\_  
Charles L. A. Terreni

c: John Hoefer, Esquire  
Scott Elliott, Esquire

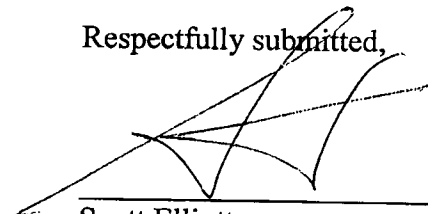
**BEFORE**  
**THE PUBLIC SERVICE COMMISSION OF**  
**SOUTH CAROLINA**

**Docket No.: 2013-199-WS**

In the Matter of Application of	)	
	)	
United Utility Companies, Inc. for	)	MOTION FOR APPOINTMENT
Adjustment of Rates and Charges and	)	OF A HEARING OFFICER
Modifications to Certain Terms and	)	
Conditions for the Provision of Water	)	
and Sewer Service	)	

The Applicant in the above referenced matter moves the Commission for the appointment of a Hearing Officer in the above referenced matter in order to expedite the consideration of procedural and non-dispositive motions in accordance with the Commission's regulations.

Respectfully submitted,



\_\_\_\_\_  
Scott Elliott  
Elliott & Elliott, PA  
1508 Lady Street  
Columbia, SC 29201  
(803)771-0555  
(803) 771-8010 (F)  
[SELLIOTT@ELLIOTTLAW.US](mailto:SELLIOTT@ELLIOTTLAW.US)

Charles L. A. Terreni  
TERRENI LAW FIRM, L.L.C.  
1508 Lady Street  
Columbia, SC 29201  
(803)771-7228  
(803) 771-8778 (F)  
[charles.terreni@terrenilaw.com](mailto:charles.terreni@terrenilaw.com)

Columbia, South Carolina  
June 27, 2013